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Appropriate For Release 2004/07/08 : CIA-RDP79T00975A0	31800160001-6
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## National Intelligence Daily (Cable)

19 April 1979

State Dept. review completed

Top Secret

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BRIEFS AND COMMENTS

LEBANON: New Tension in the South

A 500-man Lebanese Army unit successfully deployed into the UN-controlled zone in southern Lebanon yesterday despite intermittent artillery fire from Christian militiamen. Militia leader Major Haddad--speaking in the Israeli border town of Metulla--responded by declaring the establishment of a "Free Lebanon" in the south. At the same time, he accused the Beirut government of being under Syrian control.

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Lebanon and Syria are certain to hold Israel responsible if Haddad indeed sets up an "independent" state. Lebanese President Sarkis wants to reimpose Lebanese authority over Haddad, and Damascus considers Haddad and his militiamen to be traitors because of their dependence The Lebanese and Syrian Governments are aware, however, that any military action against Haddad risks a sure response in kind from the Israelis. Sarkis will appeal to the US and UN to press Israel to restrain Haddad.

The Israelis, for their part, may initially attempt to exploit their close ties with Haddad to bargain with the US, Lebanon, and the UN for new guarantees against encroachments on the Christian-controlled area of southern The Israelis view the deployment of the Lebanese detachment yesterday as the first step in a larger Lebanese effort, supported by the Syrians, to constrict Haddad's area of operations and eventually to eliminate him.

Israel remains determined to preserve the security of Haddad's forces because it regards them as a first line of defense against Palestinian cross-border terrorist operations; the Israelis consider the UN forces in southern Lebanon as ineffective for this purpose. The Israeli public and all political parties support this policy. Prime Minister Begin and much of the Israeli public, moreover, identify emotionally with the southern Maronite Christian community as an oppressed minority. Begin, Defense Minister Weizman, and other senior government of-25X1 ficials will be loath to take any action against Haddad that could expose the southern Christians to public and political recriminations.

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## LIBYA-CHAD: Renewed Fighting

The Chadian Provisional Government informed US and other diplomats in Ndjamena Monday that Libyan troops and Libyan-backed Moslem rebels had begun attacking government-held towns in northern Chad over the weekend. We cannot confirm the Chadian claims that Libyan troops struck south from the Aozou strip--a section of Chad that Libya has occupied since 1973--into the tribal homeland of Chadian Government leader Goukouni while Libyan-supported rebels attacked government positions to the east. Goukouni believes the Libyans intend to occupy all of northern Chad.

Renewed fighting would be the first major test for the provisional government, which has been troubled by rivalries among the various Muslim leaders and by the efforts of southerners to regain their political dominance. Libyan involvement could bring together temporarily the disparate elements in the government, which agree only on their dislike of the Qadhafi regime. Chad will almost certainly call on France to provide military assistance and to delay the scheduled withdrawal of some 2,500 French soldiers in Chad.

//Qadhafi might undertake such an offensive to remind Chad that Libyan support is essential for the success of any new Chadian government. He also may believe that new fighting there would help distract the Libyan military from its defeat in Uganda. Chadian leaders reportedly criticized Libya recently for its continued presence in the Aozou strip and for advocating a major governmental role for its Chadian surrogates.//

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25X1 entering the city to loot. Guinean soldiers continue to 25X1 arrive in Monrovia and may now total 280.

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Guinean MIG-21 fighters overflew Monrovia yesterday to demonstrate support for the Liberian Govern-Guinea reportedly has placed its armed forces on alert and may mobilize its national militia.//

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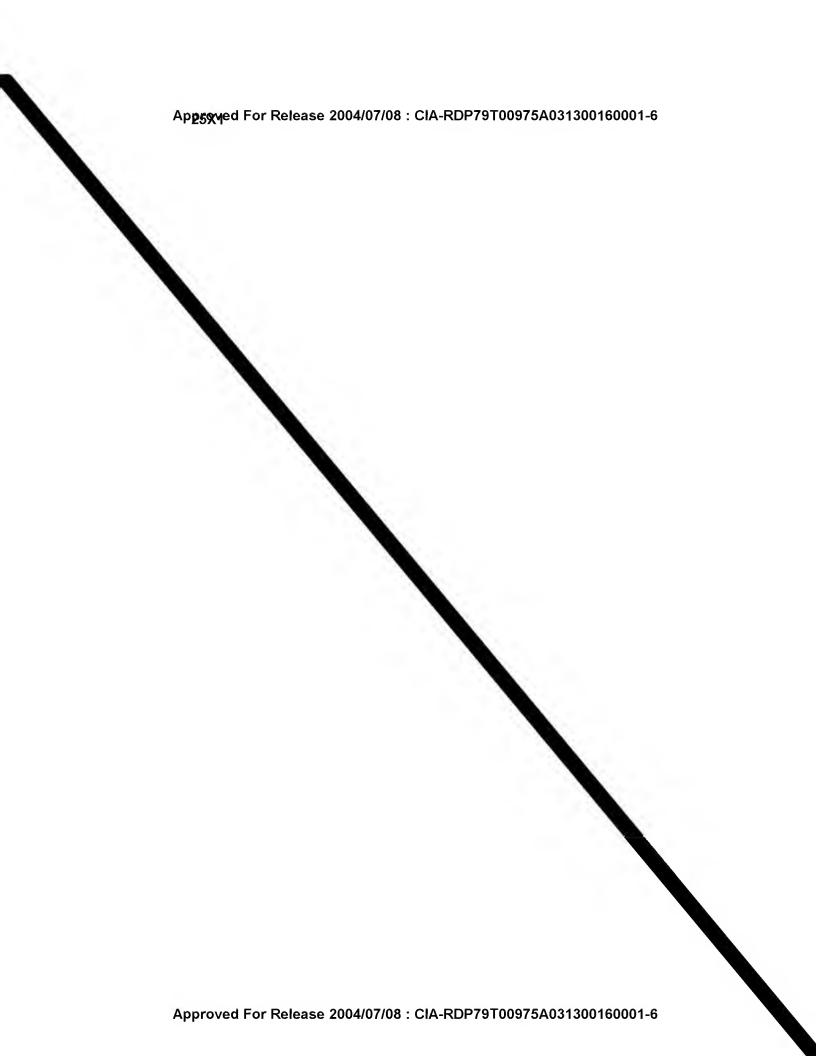
TAIWAN: Warnings to Population

Taiwan issued harsh sentences on Monday to an alleged infiltrator from the mainland and a prominent Taiwanese opposition politician, both convicted of subversive activities.

Wu Chun-fa, an ex-fortune teller accused of being an agent for the Chinese Embassy in Tokyo, was sentenced to death for attempting to overthrow the government. Twelve accomplices received sentences ranging from life to eight years imprisonment. In a more significant case, a Taiwanese politician was sentenced to eight years for failing to report contacts with Wu and for "propagandizing for Beijing" by circulating Beijing's calls for the peaceful reunification of Taiwan with the mainland.

//The sentences, which serve as a warning to anyone on Taiwan who might be thinking of reacting positively to calls from Beijing for contacts, demonstrate that the Kuomintang leadership intends to maintain a hard line against its domestic non-Communist opposition.

Those sentenced are entitled to one appeal, which is certain in the case of the Taiwanese politician. The anti-KMT opposition is likely to protest his conviction heatedly and may make the case a cause celebre.



A series of strikes are posing a serious political and economic challenge to the month-old government of President Figueiredo.

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In Sao Paulo, teachers and state and city government workers are off the job, demanding wage hikes to keep up with the rapidly rising cost of living. Teachers and industrial workers in Rio de Janeiro also are on strike. Other workers are threatening to follow suit if their demands are not met. In virtually all cases, the workers are pushing bread-and-butter issues and are eschewing political demands.

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The strikes pose a problem for the military-backed regime because the salary demands, however justified, are at odds with the government's top-priority effort to cut inflation--which even before the latest strikes was expected to top 50 percent by the end of the year. The strikes also represent a defiance of authority, since most are technically illegal, and are a highly visible source of pressure on the administration.

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//The government appears divided over how to proceed.

Last month, Figueiredo initially used security
forces to break up a strike by Sao Paulo metalworkers, 25X1
after mediation efforts failed but then softened his
stance considerably. As the strikes drag on, some of the
military's ultra-conservatives are apt to call for repressive action.//

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NAMIBIA: Political Impasse

An aide of the South African Foreign Minister told a US diplomat on Tuesday that he expected Prime Minister Botha to delay for a week or so a response to the latest Western proposals to firm up the UN truce plan. Botha apparently is still seeking a consensus among Namibian political leaders that would strengthen his hand in further truce negotiations.

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The South African - backed, multiethnic Democratic Turnhalle Alliance presented a resolution in the Namibian Constituent Assembly yesterday establishing a committee to finalize proposals for an interim government, to negotiate with other parties on their participation, and to report back on 30 April. This maneuver--probably made at Botha's request--suggests that he is trying to broaden support for a possible interim government while wielding the threat that it may soon be established to gain further modifications in the UN plan.

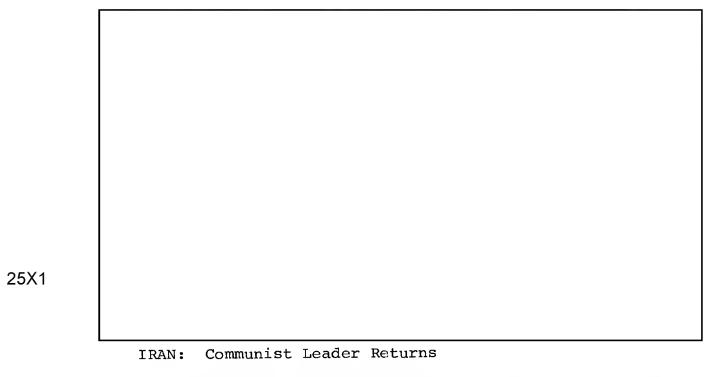
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One of the major groups outside the Assembly--the Namibian National Front--is negotiating with the DTA over the formation of an interim government. However, the South-West Africa People's Organization Democrats--a group that is disaffected with SWAPO leader Sam Nujoma-- has called for immediate implementation of the UN transitional program. It argues that the UN program is a better risk than any internal settlement.

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The SWAPO Democrats' statement was a setback for Botha, who apparently had hoped that all Namibian political groups except SWAPO would insist that the UN truce plan be revised to ban any SWAPO bases inside Namibia and provide for UN monitoring of SWAPO forces outside Namibia. Botha's recent meetings with Namibian National Front leaders and the SWAPO Democrats indicated his belief that the backing of both groups would be important in gaining international acceptance of an internal settlement.

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Nur-ed-Din Kianuri, the First Secretary of the pro-Soviet Communist Tudeh Party, has returned to Iran after 29 years in exile in Eastern Europe. The Tudeh Party, which for months has been attempting covertly to infiltrate the government and workers' organizations, began to operate openly last month. A government spokesman said on Monday that the Tudeh is still a banned party, but no effort has been made to halt its activities. In general, the party appears very weak compared to the Marxist Fedayeen and the Islamic Mujahadin, who have most of the many weapons now in the hands of Iranian militia groups. Kianuri publicly has been calling for a united front of all leftist forces.

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POLAND: Explosion Near Krakow

An explosion yesterday damaged a statue of Lenin, blew out apartment windows, and reportedly injured five people in a worker settlement near Krakow. Radio Warsaw reports that the police have begun a search for those responsible for the explosion. The incident probably is an isolated event, and the first instance in many years of sabotage directed against a political symbol in Poland. It may have been prompted by the the week-long celebration of the 109th anniversary of Lenin's birth. A heavy-handed investigation by the police could cause the incident to acquire greater significance. The police may be under pressure to be very diligent because of the government's desire to have the security situation well in hand before the Pope makes his visit to Krakow in June.

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SPECIAL ANALYSIS

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SUDAN: Threats to the Regime

//President Numayri's position has weakened perceptibly since the beginning of the year. Economic troubles and Numayri's support for Egyptian President Sadat's peace initiative have added to public discontent. The arrest early this month of coup plotters in the Army eliminated an immediate threat to the regime, but the coup plot indicated that the dissatisfaction has spread to the military--Numayri's base of support.//

The country's economic problems have worsened in recent months and could spark serious disorders. Rapid economic development, fueled by Arab aid that requires matching Sudanese funds, has strained the country's external financial position and fostered high inflation. Many key commodities have become scarce or unavailable because of the shortage of foreign exchange.

//Much of the public appears convinced that the Numayri government is incapable of arresting the economic downturn. Evidence of discontent has been shown in:

- -- Anti-Numayri signs and slogans in Khartoum.
- -- A rash of labor stoppages this year, with more expected.
- -- The National Assembly's recent rejection of a government directive that would have authorized the firing of striking public employees.//

//Numayri's support for the Egyptian-Israeli treaty is particularly unpopular with the conservative, influential Ansar Muslim sect, which includes perhaps a fifth of the population and was involved in coup attempts in 1975 and 1976. Ansar leader Sadiq al-Mahdi returned to

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	Sudan in 1977 after three years in exile, reached a reconciliation with Numayri, but left the country again late last year. Sudanese officials fear that Sadiq's absence could encourage anti-regime elements hoping to depose Numayri; Sadiq's departure apparently was intended at least partly to protest Numayri's failure to advance the date for elections in the Sudan Socialist Union, the country's only legal political party. Numayri has resisted moving up the elections, now scheduled for December, because most of the party's officers—who include some of
	Numayri's most loyal supporterswould probably be beaten. The Ansar leader also demands that Numayri abandon his support for Sadat's peace initiative.
	//The Sudanese Communist Partyseriously proscribed and weakened because of its involvement in a coup attempt in 1971 against Numayrihas regained some of its strength, especially in the labor movement. It has supported the recent strikes and in some cases instigated
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1	//Sudan's black southerners, who waged a civil war with Khartoum from 1955 to 1972, appear restless over what they perceive as neglect by the Arab- and northern-dominated government.
t t f	Libya was involved in the 1975 and 1976 coup attempts and continues to support Ansar dissidents, several hundred of whom are living in Libya. The Sudanese authorities are also concerned about reports that Iraq has been training Sudanese dissidents. We have no evidence that the USSR is playing a significant role in Numayri's difficulties but Namayri is convinced that his removal—and Sadat's—are major Soviet goals in the Middle East.//
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//Support from the Sudanese armed forces has kept Numayri in power since 1969. Potential trouble for him may exist in western Sudan over what residents there feel is neglect of their needs by the government; 70 percent of the armed forces come from the region. The involvement of military personnel from western Sudan in the most recent coup plotting also suggests that the civilian disenchantment is spreading to the military. A failure by Numayri to fulfill promises to provide more modern equipment to the armed forces could also weaken their loyalty.//

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